UNITED
NATIONS

TD

United Nations Conference
on Trade and Development

Distr.
GENERAL

TD/B/CN.1/TUNGSTEN/AC/1
19 May 1992

Original: ENGLISH

TRADE AND DEVELOPMENT BOARD
Ad hoc Meeting on Tungsten
Geneva, 2 July 1992
Item 2 of the provisional agenda

PROVISIONAL AGENDA AND ANNOTATIONS

I. PROVISIONAL AGENDA

1. Opening of the Ad hoc Meeting

2. Adoption of the agenda

3. Consideration of project proposals by Governments and industry which could be submitted for possible financing under the Second Account of the Common Fund for Commodities

4. Other business

5. Adoption of the report of the Ad hoc Meeting.

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II. ANNOTATIONS TO THE PROVISIONAL AGENDA

Item 1: Opening of the Ad hoc Meeting

The Committee on Tungsten at its twenty-third session, in requesting that an Ad hoc Meeting be convened to consider all project proposals for possible financing under the Second Account of the Common Fund for Commodities, agreed that the incumbent Chairman of the Committee, Mr. E. Orbegozo (Spain) would preside over the Ad hoc Meeting.

Item 2: Adoption of the agenda

The sole purpose of the Ad hoc Meeting is to consider all project proposals formally submitted in accordance with paragraph 3 of the agreed procedures laid down by the Committee for the submission of project proposals. (See annex for the criteria and procedures adopted by the Committee on Tungsten).

Item 3: Consideration of project proposals by Governments and industry which could be submitted for possible financing under the Second Account of the Common Fund for Commodities

The project proposals submitted for consideration at this Ad hoc Meeting are presented in documents TD/B/CN.1/TUNGSTEN/AC/2 and TD/B/CN.1/TUNGSTEN/AC/3. The first document contains the revised version of the three project proposals formerly submitted by China to the Committee on Tungsten at its twenty-third session. In accordance with the arrangements agreed by the Committee, written comments of Committee members with respect to these project proposals were provided to China for taking into account in the preparation of the revised version. The second document contains a project proposal submitted by the International Tungsten Industry Association.

Annex

CRITERIA AND PROCEDURES FOR APPRAISAL OF PROJECTS SUBMITTED TO THE COMMON FUND FOR COMMODITIES a/

Criteria

The Committee on Tungsten, which has been designated as an International Commodity Body under Article 7.9 of the Agreement Establishing the Common Fund for Commodities, will sponsor projects to be financed by the Common Fund through the Second Account under the following terms:

(1) Projects will be commodity development measures having the aims specified by the Agreement Establishing the Common Fund for Commodities. b/

(2) Projects will contribute to the development and maintenance of a sound world tungsten economy and be of high priority and quality. Such projects could include measures to improve the functioning of the market, measures to reduce the cost of producing or utilizing tungsten and measures to increase competition in the tungsten market and to strengthen its competitiveness, vis-à-vis substitutes and to expand its consumption.

(3) In considering sponsorship of a project, due regard will be given to priorities identified by the Common Fund and the Committee on Tungsten, the extent of the potential benefits and the likelihood of success, the number of countries to benefit, especially least developed countries.

(4) Project proposals will only be considered if they are accompanied by statements of the legal and financial implications of the projects for the Committee on Tungsten and for its member countries, if any.

(5) The Committee on Tungsten shall not incur any financial obligations in respect of such projects, nor shall it act as executing agency for any such project.

(6) No member shall be responsible by reason of its membership in the Committee for any liability arising from borrowing or lending by any other member or entity in connection with projects.

Procedures

(1) Project proposals should be submitted to the Committee on Tungsten utilizing the Standard Format for Submission of Project Proposals for Financing Through the Second Account. All proposals should be complete and include all commitments of co-financing or counterpart contributions and a description of the structural conditions applying to the industry and all information required to allow an assessment to be made of the economic, technical and financial aspects of the proposal.

(2) Project proposals submitted to the Committee on Tungsten for sponsorship will be reviewed by the secretariat for completeness and compliance with the criteria for project appraisal.

(3) In general, complete proposals will be circulated to members of the Committee at least four months prior to discussion in the Committee on Tungsten.

(4) The Committee on Tungsten will decide whether the project proposed is suitable and practicable for the furtherance of international collaboration directed towards developing and maintaining a sound world tungsten economy. The Committee will also consider any legal and financial requirements of sponsoring the project. Based on these considerations, the Committee will decide by consensus whether or not to sponsor the project.

(5) In light of the criteria for project appraisal, the Committee on Tungsten will also consider informally pre-proposals of projects.

(6) The Committee's criteria and procedures for the sponsorship of projects will be reviewed periodically.

Notes

a/ As adopted by the Committee on Tungsten at its 4th plenary meeting on 22 November 1991 (para. 37).

b/ "The measures shall be commodity development measures, aimed at improving the structural conditions in markets and at enhancing the long-term competitiveness and prospects of particular commodities."